



MEMORANDUM

To: PLANNING COMMISSION

Date: December 12, 2006

From: COMMUNITY DEVELOPMENT DEPARTMENT

Subject: APPOINTMENT OF PLANNING COMMISSION SUBCOMMITTEE TO REVIEW CHANGES TO THE RESIDENTIAL DEVELOPMENT CONTROL SYSTEM (RDCS) EVALUATION CRITERIA AND TO RECOMMEND PROCEDURES FOR SCORING AND AWARDED THE 100 ALLOTMENTS MADE AVAILABLE BY THE VOTERS UNDER MEASURE F.

REQUEST

Section 18.78.188(C) of the Residential Development Control System (RDCS) Ordinance requires the Planning Commission to review the project evaluation standards and criteria following an RDCS competition, to determine whether any changes or amendments are necessary for the next competition, to begin each new allotment year. A subcommittee was not appointed following last year's competition because no competition is being held this year. The subcommittee will review and recommend changes to the evaluation criteria that will apply to the next RDCS competition to be held in September 2007. The subcommittee will also formulate and recommend procedures for awarding the 100 Measure F downtown building allotments approved by the voters in last month's General Election.

Subcommittee Appointment and Working Group Representation

To conduct this year's review process, it is recommended the Commission appoint two or three members to serve on a subcommittee to work with city staff. The subcommittee would consider work plan items identified in this memorandum, and identify other changes or amendments which are necessary for the next competition. The subcommittee would forward recommendations regarding those changes to the full Commission for consideration.

In the past, the Commission has included outside representatives to serve on the subcommittee including one or two developer representatives. Also, depending on the issues to be addressed, the committee has included a school district representative and a nonprofit housing agency representative. For this year's review process, staff recommends the subcommittee remain as two

or three members of the Planning Commission and that other interested parties be invited to participate in a Working Group with the subcommittee. The City's Park and Recreation Commission is requesting that one or two of their members participate in the process to provide recommended changes to the Open Space, Parks and Paths, Circulation Efficiency, and Livable Communities categories on matters pertaining to providing pedestrian access and the provision of city parks. Downtown property owners have also expressed an interest in participating in a Working Group.

It is recommended the Commission appoint two or three members to the subcommittee and direct staff to recruit one or two Parks and Recreation Commissioners and other representatives to participate in the Working Group as determined by the Planning Commission.

Procedures for evaluating Measure F Projects

On November 7, 2006, Morgan Hill voters approved Measure F, amending the RDCS to allow Downtown housing and mixed use projects within the Downtown RDCS Boundary that were awarded allotments in March 2006 to be started and completed earlier than their allotment years. Measure F also created a set-aside of up to 100 additional residential unit allotments for projects of up to 25 units within the downtown core, defined as from south of Main, north of Dunne, east of Del Monte, and west of the railroad tracks. The Measure provides that the City Council may establish procedures for scoring and awarding the 100 allotments, which may not require a competition but which shall provide that all projects must achieve a minimum score for the project type, and which may allow for flexible project start and completion dates. As part of the subcommittee's work plan it is recommended that policies and procedures allocating the 100 units be prepared for review by the Planning Commission and as a recommendation to the City Council. Staff also recommends that this be a first priority of the subcommittee and that the Measure F implementation procedures be completed for consideration by the full Planning Commission on February 13, 2006, to be forwarded for City Council consideration later in February.

Subcommittee Work Plan

In addition to the procedures for implementing Measure F, the subcommittee will need to review the standards and criteria beginning in Section 18.78.200 of the RDCS Ordinance to determine the changes that need to be made for the next competition. As part of the review of the criteria, developers and staff are requesting the subcommittee review impact fees. As noted in an October 24, 2006 staff report to the Planning Commission, the School District recently increased the District's schools facilities fee from \$3.09 to \$4.95 per square foot. Points assigned to projects for payment of this fee in the Schools category will need to be reconsidered. The fee increase also impacts existing projects that have made commitments to provide for pedestrian safety improvements under the Schools category that were based on fee structures that were in place at the time of the competition. Local developers have requested a workshop to discuss the fee impact issue. It is recommended the subcommittee invite developers to discuss their concerns with subcommittee during the working group meetings. The recommendations of the

subcommittee regarding impact fees will then be considered by the full Commission as part of a workshop addressing all of the recommended changes to the evaluation criteria.

As other work plan items, staff recommends the subcommittee address the criteria for payment of open space in-lieu fees to allow double in-lieu fees to be used for maintenance of open space lands. Under the Parks and Paths category, staff requests the subcommittee review the points awarded for payment of park in-lieu fees where a developer receives reimbursement of those fees as credit for providing private parks and on-site recreation amenities.

Staff will incorporate into the work plan other changes to the evaluation criteria that were previously identified by the Commission during the Downtown and Affordable competitions held earlier this year. To assist staff and the subcommittee, the Commission should provide direction regarding other changes they would like to have considered at this time.

RECOMMENDATION

1. Appoint two or three members from the Planning Commission to serve on a subcommittee to review and provide recommendations regarding changes to the RDCS standards and criteria and to recommend procedures for scoring and awarding the 100 allotments made available by the voters under Measure F.
2. Direct staff to recruit one or two Parks and Recreation Commissioners and other community representatives to participate in a Working Group with the subcommittee as determined by the Planning Commission.
3. Direct the subcommittee to complete its work on the procedures for implementing Measure F for consideration by the full Planning Commission on February 13, 2007.
4. Direct the subcommittee to complete its work on the remaining work plan items in time for consideration by the full Planning Commission at a public hearing to be held in April 2007.